Approved For Release 2002/15 ARDP79R00890 A000 2000 30005-7

## THE BERLIN CONFERENCE

Significant new Soviet proposals probably could not have been expected during the first three skirmishes of the conference. However, the uncompromising spirit of Foreign Minister Molotov's opening statement and subsequent remarks suggest that major policy changes are unlikely to be forth-coming from Moscow.

Molotov proposed a three point agenda: five power talks and international tension, the German question and European security, and the Austrian state treaty. Before the Berlin meeting, the Soviet Union had demanded a five power conference as a prelude to four power talks on Germany. It later expressed willingness to meet with the Western foreign ministers, asserting that on this occasion it would raise the question of convening a five power conference. It is unlikely that wolotov will let the Berlin conference break down by demanding that the date for the five power talks be set before any further discussion could take place.

State Department review completed
Approved For Release 2007, 108 CIA-RDP79R00890 0000200030005-7

Approved For Release 2002/11/08: @IA=RDP79R00890A000200030005-7

He referred to the arms race, the Korean question, and trade relations as appropriate subjects for five power discussion. It is significant that Molotov did not specifically include Indochina, but this is in line with past Soviet policy which maintains that the Indochinese war is solely a French-Viet Kinh concern. Regarding the arms race, Molotov called for a considerable reduction of all armaments, decisions aimed at reducing weapons of mass destruction, establishment of effective international control, and "as a first step" renunciation of the use of atomic weapons. Concerning the "first step", Molotov indicated that it is necessary to adhere to an agreed order of discussion. He apparently means simultaneous consideration of the Soviet "pledge" proposal and the American "pool" proposal.

On Korea, Molotov maintained that the calling of a five power conference would "facilitate the elimination of a whole series of difficulties" which now exist. He also said that China's admission to the UN would be "of great importance in a settlement" of the Forest question. This

importance in a settlement" of the Korean question. This Approved For Release 2002/11/08: CIA-RDD70R00090A000200030005-7

المسالية لأسلاء فارتقين

suggests that he considers both Western agreement to a five power conference and UN membership for China as conditions for a Korean solution.

Regarding trade, Molotov alleged that American Battle

Act restrictions are aimed at creating difficulties in international trade and at sharpening international relations.

A five power conference is cited as likely to play a positive

role in creating normal trade conditions. His treatment of

this subject is in line with expectations that East-West

trade will be exploited as one of the major Soviet propaganda

weapons at the Berlin conference.

In suggesting the second item on the agenda Molotov coupled the German question with European security, which suggests that he is more interested in taking about the German threat to security than about free German elections. In connection with security, he also is likely to raise the question of American bases in Europe. His position that

Approved For Release 2002/11/05 Comp. PP79R00890A000200030005-7

the Yalta and Potsdam agreements must form the basis for a

German settlement provides a platform, under Soviet construction,

for an attack on German "remilitarization" and the defense of

the Oder-Neisse border. In attacking plans for the inclusion

of West Germany in the EDC, Molotov warned that establishment

of a West European army may result in the formation of "a

defensive alliance of other European countries."

Repetition of previous Soviet suggestions that the Anglo-Soviet and French-Soviet treaties provide a good basis for a European security arrangement would again indicate that some form of Soviet sponsored security arrangement as an alternative to EDC may be proposed later in the conference. Molotov did not discuss the details of the Soviet proposal for an all-German provisional government and elections, but this may be expected at a later stage of the conference.

Molotov's inclusion of the Austrian state treaty on the agenda is the first explicit Soviet support for the Western

insistence that this be discussed at Berlin. He said that
the treaty should be based on existing agreements, indicating
that the USSR will oppose any alleviation of the harsh economic
terms of Article 35. The demand that Austria be independent
and not again become the "tool of German militarism" suggests
that the Soviet Union will demand inclusion of a neutrality
clause in the Austrian treaty. Although Molotov did not repeat
the frequent Soviet assertion that a German settlement would
facilitate agreement to an Austrian treaty, this argument may
reappear if German negotiations become deadlocked.

As was expected, Soviet representatives at Berlin are attempting to woo the British and French. Both Eden and Bidault have commented that Soviet officials are going to great lengths to be awable in the daily contacts they are making with members of the British and French delegations. It is significant that Molotov invited Bidault as his guest at the first dinner he gave. The British and French foreign ministers and that these seductive divisive maneuvers were transparent and were in sharp

Approved For Release 2002/11/08 CIA-RDP79R99990A000200030005-7

contrast to the tone and content of Molotov's opening speech.

Soviet ambassador Malik told one British official at Berlin

that the Soviet Union did not want a long drawn-out discussion

on the five power conference question "but just agreement on
holding it."

Molotov has been accompanied at Herlin by Andrei Gromyko and the ambassadors to the three Western powers, Germany and Austria plus a large staff of advisers, including the head of the Far Eastern division of the foreign ministry. The size of the delegation would indicate that the USSR intends to defend its position vigorously and is anticipating a long conference.